

GOVERNMENT OF HARYANA



Handwritten circled text: 5562

Handwritten red text: 22 p. 15

SPEECH

OF

Shri Sagar Ram Gupta

Finance Minister, Haryana

Presenting the Budget Estimates for the year 1985-86 to the Haryana Vidhan Sabha

Chandigarh, 20th March, 1985

Handwritten: 25 sub

Handwritten signature/initials

Handwritten: 8072 69/

Handwritten: 21/19

Handwritten: 9/3 109 002

## CONTENTS

	Pages
Salient features of the Union Budget	... 2—3
Economic Survey	... 3—5
Capital formation	... 5
Revised Plan outlay for 1984-85	... 5—6
Seventh Five Year Plan	... 6—8
The Sutlej Yamuna Link Canal Project	... 8—9
Power	... 9
Agriculture	... 9—10
Animal Husbandry and Fisheries	... 10
Cooperatives	... 10—11
Rural Employment	... 11
Industry	... 11
Roads	... 11—12
Education	... 12
Technical Education	... 12
Medical & Health Services	... 12—13
Housing	... 13
Drinking Water Supply	... 13
Development of the National Capital Region	... 14
Uplift of Weaker Sections of Society	... 14
Servicemen & Ex-Servicemen	... 14
Transport	... 15
Tourism	... 15
20-Point Programme	... 15
Improvement in Administrative Machinery	... 15—16
Decentralisation of Planning	... 16
Fight against natural calamities	... 16
Facilities granted to Government Employees including Pensioners	... 17
Revised Estimates and Annual Plan for 1984-85	... 18
Budget Estimates and Annual Plan for 1985-86	... 18—19
Measures to meet the Budgetary Deficit	... 20
Consignment tax	... 20
Proposals for Additional Taxation	... 20—21
Additional facilities to Govt. employees and the others	... 21—23
Concessions to Trade, Industry and Agriculture etc.	... 23—24

**Speech by Shri Sagar Ram Gupta, Finance Minister, Haryana,  
presenting the Budget Estimates for the year 1985-86  
to the Haryana Vidhan Sabha on the 20th March, 1985.**

Mr. Speaker, Sir and my distinguished colleagues,

I feel greatly honoured in presenting before this august House the Budget Estimates of the State, Government for 1985-86 and to give a brief resume of the year which is coming to a close.

2. The year 1984-85 marks the end of an epochal era in the Indian history and also the beginning of a new era in our nation's life. On the 31st October, 1984 our great leader and our beloved Prime Minister, Smt. Indira Gandhi breathed her last being felled by the bullets of the brutal assassins. No word of praise and admiration for that great lady and that great leader will ever be enough. She not only strode the national scene like a colossus, but acquired a prominent place among the world leaders of the modern times. Peace, progress and prosperity became synonymous with her name. With her death a great era came to an end.

3. Fortunately for us and fortunately for the nation that sad occasion did not depress the spirit of our great people who rose to the occasion and gave a massive mandate to our young leader and our new Prime Minister, Shri Rajiv Gandhi. His arrival has ushered in an era of new hopes, new aspirations and a renewed determination to tackle the nation's problems. It is only appropriate that the closure of the Sixth Plan period and the inauguration of the Seventh Plan period are coinciding with his stewardship of the nation.

**Salient  
features  
of the  
Union  
Budget**

4. The Union Budget for 1985-86 has been presented a few days ago. It is a growth oriented budget and fully conveys the desire of the new Government to accelerate the pace of development commensurate with social equality. The Budget has been widely welcomed by the various sections of the society. One of the leading national newspapers has commended the new Budget in the following words :—

“The new Government has kept its promise. It has moved boldly to usher in an era of greater social justice within a self generating modern economy”.

The Budget also underlines the anxiety of the Central Government for greater financial discipline and maximum utilization of resources. We greatly welcome the Union Budget and congratulate the Prime Minister and the Union Finance Minister for adopting innovative and growth oriented measures. Within our limited resources and manoeuvrability, we propose to follow the pace set by the Central Government.

5. I would like to briefly recapitulate some of the salient features of the Union Budget. The Union Budget indicates a substantially higher provision for Central assistance for the States' Plans and also a higher share of the States in market borrowings. The actual flow of resources to each particular State would be known a little later. However, I am sure, we could hope to get a higher allocation under these heads in 1985-86.

The Union Finance Minister has laid great emphasis on modernisation of administration and introducing technical aids in administration. The progressive outlook of the new Government is manifest through its decision to liberalise the taxation and licensing policies and in providing relief in customs duty on computers etc. We feel hopeful that our State would also benefit from these developments and these measures would boost the efforts of the State

Government to set up electronics and other industries in Haryana.

The Union Budget also reflects the Central Government's desire for providing greater social security and for providing extensive Crop Insurance. I am sure, the new policy would benefit the agricultural community all over the country including in Haryana.

6. For us also this is time for stock taking particularly since the Sixth Five Year Plan period is drawing to a close in the next few days and the Seventh Plan would commence from the 1st of the next month.

7. Copies of the document "Economic Survey of Haryana 1984-85", giving the detailed analysis of the economic situation in the State and the State Government's achievements on the economic front are already available with the Hon'ble Members. However, I would briefly mention the notable achievements and the important aspects of our economy.

**Economic  
Survey**

8. Despite unfavourable weather conditions in some stretches and in spite of some other adverse factors beyond our control, the State's economy has registered a steady growth during the Sixth Plan period. In the year immediately before the commencement of the Sixth Plan, i.e. 1979-80 the State's domestic product at constant prices (1970-71 prices) was Rs. 1200 crores which rose to Rs. 1547 crores in 1983-84 and according to the latest estimates is assessed to have gone up to Rs. 1592 crores during 1984-85. Similarly, the State's income at current prices which was Rs. 2423 crores in 1979-80, rose to Rs. 4320 crores in 1983-84. The sectoral analysis reveals that the State's domestic product at constant prices in the primary sector rose from Rs. 581.2 crores in 1979-80 to Rs. 762.4 crores in 1983-84; in the secondary sector from Rs. 254.6 crores in 1979-80 to Rs. 305.6

crores in 1983-84 and in the tertiary sector from Rs. 364.2 crores in 1979-80 to Rs. 479 crores in 1983-84. On the whole while the contribution of the primary sector came down from 64.8% in 1970-71 to 46.1% in 1983-84, the share of the secondary sector has gone up from 15.2% to 23.6% and that of the tertiary sector from 20% to 30.3% during the same period. These are heartening trends.

9. Our State continues to forge ahead in per capita income also. Our per capita income at current prices rose from Rs. 1949 in 1979-80 to Rs. 3147 in 1983-84 thus showing an increase of over 61% in just four years.

10. The Sixth Five Year Plan (1980-85) was formulated with an approved outlay of Rs. 1800 crores against which we are likely to incur an expenditure of approximately Rs. 1638 crores including an amount of approximately Rs. 35 crores spent on Plan schemes on account of natural calamities. In fact but for certain unforeseen liabilities like the sanctioning of additional D.A. instalments to the employees, rise in the administered prices of certain commodities and the amount spent on relief measures, which accounted for approximately Rs. 570 crores during these five years, our Plan expenditure would have far exceeded the original outlay of Rs. 1800 crores.

11. Though the State cannot remain totally unaffected by the price trends prevailing in the country, we have tried to restrict these pressures to the extent possible. The Haryana State Working Class Consumer Price Index recorded an increase of only 6.5% between March, 1983 and March, 1984 as against an increase of 11.2% in the All India Working Class Consumer Price Index during the same period. Similarly, the index number of the wholesale prices of the agricultural commodities registered an increase only of 4% between December, 1983 and December, 1984 against 9.2% increase in the corresponding

period in the previous year. The State Government have tried to regulate and ensure adequate supplies of essential commodities at reasonable prices to its people through an extensive net work of about 6,000 fair price shops. Of these 241 fair price shops are functioning exclusively for the benefit of the weaker sections of society.

12. Government have endeavoured to provide for higher capital formation both in the public and the private sector. The economic and functional classification of the Budget Estimates for 1984-85 reveals that out of the total direct demand of the State Government of Rs. 459.6 crores, a sum of Rs. 147.9 crores or 32.2% has been provided for its own capital formation. Another Rs. 135 crores is the State's contribution towards the capital formation of the public and the private sectors. Thus, during 1984-85 alone, an aggregate capital formation of approximately Rs. 283 crores would take place, which is about 5.6% higher than that in the previous year. The net aggregate savings have been estimated to be approximately Rs. 159 crores. These figures amply indicate that the State Government have been making concerted efforts towards providing increased levels of investment thereby strengthening our economy.

**Capital  
formation**

13. In spite of our constraints, I take pride in observing that for 1984-85 the revised Plan outlay exceeds the budgeted outlay. Against the original estimates of Rs. 429.3 crores we have provided for revised outlay of Rs. 433.3 crores. This is a significant achievement of the State Government and has been possible through strict financial discipline in our non-plan expenditure and the generosity shown by the Government of India.

**Revised  
Plan out-  
lay for  
1984-85**

14. The largest share of the Plan expenditure during the Five Year period has gone to Irrigation and Power

followed by Social and Community Services and Agriculture. The allocation of approximately Rs. 966 crores (approximately 59% of the Plan expenditure) to the Irrigation and Power sector has enabled the State to raise the area under irrigation by 3.52 lakh hectares, the number of tubewells has increased by about a lakh and the power generation capacity has increased by approximately 362 MW.

The larger share in Social and Community Services has gone to education, health, medical facilities, and drinking water supply and sewerage schemes. The outlay on agricultural development has led to higher production as a consequence whereof the State is likely to achieve a record foodgrains production of 71 lakh tonnes during the current agricultural year. The area under high yielding varieties of foodgrains has increased by approximately 6 lakh hectares in the last five years and the consumption of fertilizer has gone up by more than 60% during the said period.

Special attention has been paid during this period to the welfare of Scheduled Castes, Backward Classes and the economically weaker sections of society. On these, a Plan expenditure of approximately Rs. 16.5 crores has been incurred.

**Seventh  
Five year  
Plan**

15. The State Government have tentatively proposed an outlay of Rs. 3200 crores for the Seventh Five Year Plan keeping in view the broad objectives of growth, equity and social justice, self reliance, improved efficiency and productivity. Under these basic guiding principles, the important features of the Seventh Plan are :—

- (i) decentralisation of planning and full public participation in development;
- (ii) maximum possible generation of productive employment;



- (iii) alleviation of poverty and reduction in inter-class, inter-regional and rural-urban disparities;
- (iv) a higher level of social consumption, particularly in education, health, nutrition, sanitation and housing;
- (v) the acceleration of voluntary adoption of a small family norm and a positive role for women in economic and social activities;
- (vi) a reduction in infrastructural bottlenecks and shortages and improved capacity utilization and productivity throughout the economy;
- (vii) efficiency, modernisation and competition in industry;
- (viii) conservation of energy and promotion of non-conventional energy sources; and
- (ix) the integration of science and technology into the mainstream of development planning, and ecological and environmental conservation.

16. The State Government fully share the priorities which have been set out by the Central Government while formulating the Approach Paper for the Seventh Plan. We are committed to bring about a qualitative improvement in the living conditions of the people of Haryana and also induce higher growth, social justice, improved efficiency and in providing better opportunities. Our projected allocations for the Seventh Plan period emanate from these basic guidelines. The main features of the economic policy have to be the development of agriculture through better irrigation facilities and availability of power, higher power generation to meet the needs of agriculture, industry and other sectors, provision of better quality inputs to the farmers, flood control, growth of

industry, increased investment in human resources, providing better educational, medical and health facilities and vocational training, uplift of the members of the weaker sections of society and provision of amenities like housing, drinking water supply etc.

**The  
Sutlej  
Yamuna  
Link  
Canal  
Project.**

17. One of the major endeavours of the State Government for providing irrigation facilities to our farmers is the construction of the Sutlej Yamuna Link Canal Project. Of late work on the project has picked up and the pace of execution of the Project has also been quite heartening. For this the Punjab Government and the S.Y.L. Project authorities deserve our congratulations. The Government of India have been very kind in agreeing to monitor the progress of the Project very closely. We are indeed indebted to them also for taking such keen interest in the Project. I want to take the House into confidence on one important aspect of this Project. Since it is a Project of national importance necessitating a heavy outlay, we have made a special request to the Government of India for offering advance assistance for this Project. Our request is presently under their consideration. I hope, the Government of India will find our request acceptable. I understand, technically it is possible to complete this Project within the next two years. I am sure, with the blessings of the Government of India and the active interest shown by them and lately by the Punjab Government and the Project authorities, it may be possible to even advance the target date of its completion.

18. Haryana Irrigation Project Phase-II was taken up in April, 1983, with World Bank assistance which envisages the lining of 25 crore square feet of canals. This Project is likely to be completed by March, 1988. Till 31st March, 1984, lining of approximately 8.6 crore

square feet of canals had been completed. The outlay for this Project during 1985-86 is Rs. 26 crores.

19. In 1983-84 Haryana was again ravaged by floods. A master plan for flood control and drainage is already under execution. So far out of a flood-prone area of 18 lakh hectares in the State, 15 lakh hectares have been provided protection against floods. Capacity of Drain No. 8 is being increased from 1000 cusecs to 1650 cusecs. A sum of Rs. 14 crores is proposed to be provided for flood-control and drainage schemes during 1985-86.

20. Power is the life line of modern society and is the basic infrastructure needed for any worthwhile economic development. The State Government accords highest priority both to larger investment of funds and to providing efficient management in this field. As a result of the efforts made, the power generation in the thermal units has already shown a significant improvement. The transmission and distribution system is being streamlined and effective steps are being taken for monitoring the timely commissioning of the Projects in hand. An outlay of Rs. 150 crores is being provided to the power sector in 1985-86. Units 3 and 4 of the Panipat Thermal Power Station are likely to be commissioned next year adding 220 MW to our thermal capacity. In addition, two units of 8 MW each of the Western Yamuna Canal Project are scheduled to be on stream next year. The pace of work on the Yamunanagar Thermal Project is likely to pick up next year. Apart from exploiting the thermal and hydro resources, the State Government are also pursuing with the Government of India a proposal for setting up an Atomic Power Station in Haryana.

**Power**

21. Agriculture continues to be the priority area in our planned development. The production target for food-grains is being raised to 75.1 lakh tonnes for 1985-86

**Agriculture**

against the likely achievement of 71 lakh tonnes during the current year. The target for sugarcane is being fixed at 7.65 lakh tonnes for the next year and of cotton at 8 lakh bales. The Plan outlay on Agriculture and Forests for 1985-86 is likely to be over Rs. 28 crores. 2500 biogas plants are proposed to be installed during the next year. An outlay of approximately Rs. 12 crores is being provided for Integrated Rural Development Programme to assist 88,700 families below the poverty line. An amount of Rs. 4.89 crores is proposed to be provided for the Desert and Drought Prone Area Development Programmes. An outlay of Rs. 2.5 crores is proposed for the intensive and all round development of the Mewat Area.

**Animal  
Husbandry and  
Fisheries**

22. To supplement the income of the farming community, and with a view to ameliorating the condition of the weaker sections, stress is being laid on animal husbandry, fisheries and dairy development projects. 40 new veterinary dispensaries and one polyclinic are proposed to be opened during 1985-86. 30 veterinary dispensaries are proposed to be converted into hospitals. Six Fish Farmers Development Agencies have been set up to help the rural poor in taking up fish farming. Fish production is likely to be doubled by the end of the Seventh Plan period over the current level of production of 10,000 tonnes. Under the 20-Point Programme, 300 mini dairy units are proposed to be opened during 1985-86. The total outlay on the above schemes is likely to exceed Rs. 5 crores.

**Cooperatives**

23. Cooperatives have been immensely instrumental in transforming the rural scene through a smooth flow of credit and other inputs into agricultural sector and supply of consumer goods etc. The target of loans to be advanced by the cooperative credit and service societies and the Haryana State Cooperative Land Development Bank has been fixed at Rs. 255 crores for 1985-86. It

is hoped that the marketing societies will be able to market agricultural produce worth Rs. 145 crores during the year.

24. With a view to providing employment opportunities to idle labour in the rural areas especially during the slack season and to create durable assets, National Rural Employment Programme is in operation in the State. A provision of Rs. 5.1 crores has been made for this programme in 1985-86. Under the Rural Landless Employment Guarantee Programme another Rs. 4.2 crores are proposed to be spent on employment schemes to create 11.46 lakh mandays in the year.

**Rural  
Employ-  
ment**

25. The State Government have been making concerted efforts to develop the basic infrastructure for promotion of industry. This effort is proposed to be continued during the next Plan period. A Plan outlay of Rs. 9.6 crores is proposed for the development of industry during 1985-86. Among the big projects coming up in the State are the Oil Refinery in Karnal District with a capital outlay of Rs. 1300 crores and a 21 crore telecommunication project being set up by Bharat Electronics Limited at Panchkula. The proposal for setting up a railway coach manufacturing factory in Haryana is also in an advanced stage of consideration.

**Industry**

With a view to promoting industrial growth, special incentives have been announced by the State Government lately. Further, incentives are being offered for pioneer, prestigious and 100% export oriented units. As a result of the efforts put in by the Industrial Assistance Group set up by the State Government, 368 letters of intent have been issued in favour of the non-resident Indians.

26. Roads are the arteries of development. Haryana already has one of the best road networks in the country

**Roads**

linking more than 98% of our villages. However, the road network programme is to be continued during the Seventh Plan also. For the year 1985-86, a provision of Rs. 15.5 crores is proposed to be made for construction of roads thus adding 200 Kms to the road mileage.

**Education** 27. Government attach a high priority to education and we will continue to do so in the next Plan period. During the current year 99 Primary Schools have been upgraded to the Middle level and 93 Middle Schools to the High School level. In the next year many more Primary and Middle Schools are proposed to be upgraded. A number of incentives have been provided in the form of free uniforms, stationery, and attendance scholarships. The 10+2 system of education has already been introduced in 29 institutions and another 49 are proposed to be covered in 1985-86. A special emphasis is being laid on girls' education, both in schools and at senior levels. The Adult Education Programme has achieved considerable progress and is proposed to be continued next year. A Plan outlay of Rs. 21 crores is proposed for the expansion of education facilities during 1985-86.

**Technical Education** 28. In the field of Technical Education the notable projects are the setting up of an Engineering College at Murthal, an Institute of Engineering and Technology at Hissar, a Women's Polytechnic at Sirsa and an Institute of Pharmacy and Management at Adampur. The Plan allocation for these projects is proposed at Rs. 3 crores during 1985-86.

**Medical & Health Services** 29. The State Government accord high priority to the expansion of Medical, Health and Family Welfare Programmes. The target of opening 1600 Sub-Centres is likely to be reached by the end of the current financial

year. Buildings of 8 Hospitals, 8 Primary Health Centres, 4 Subsidiary Health Centres, one Rural Dispensary and 390 Sub-Centres have been completed during the current year. The General Hospitals of Kurukshetra, Panipat, Jind and Kaithal have been upgraded from 50 bedded to 100 bedded hospitals. Two 25 bedded hospitals have been established at Siwani and Hailey Mandi.

The State Government is conscious of the need to control population growth so that the benefits of economic development could be available more intensively to the citizens. The State has been awarded a prize of Rs. 1 crore by the Government of India for our outstanding performance in the Family Welfare Programme in 1983-84. During the current year, up to the end of January, 1985, approximately 59,000 sterilization operations had been performed on voluntary basis. Through our concerted efforts and the active cooperation of the people, the birth rate is estimated to come down to 28 per 1000 by 1990 from 35.6 per 1000 in 1985. The State Government propose a Plan outlay of Rs. 13.55 crores during 1985-86 for expansion of medical and health services including medical education.

30. The problem of housing has been engaging the attention of the State Government. The target of constructing 3000 houses during the current year is likely to be exceeded. For the next year an outlay of Rs. 7.29 crores is proposed for housing.

**Housing**

31. Supply of drinking water is a basic amenity to be provided to the people. The current year's target of providing this amenity to 800 villages is likely to be achieved. A Plan provision of Rs. 30 crores for water supply and sewerage schemes is proposed for 1985-86 including approximately Rs. 4 crores for improving sanitation facilities in urban areas.

**Drinking  
Water  
Supply**

Develop-  
ment of  
the  
National  
Capital  
Region.

32. Both the Central Government and the State Government are laying great emphasis on the development of the National Capital Region. A sizeable part of Haryana falls within this Region. A High Powered Board has been set up for the integrated development of the National Capital Region. To implement some of the schemes for development of N.C.R. a provision of Rs. 2 crores is proposed for 1985-86.

Uplift  
of the  
weaker  
sections  
of Society

33. For 1985-86 a sum of over Rs. 33 crores is proposed to be provided as the Special Component Plan for the welfare of the members of Scheduled Castes and Backward Classes. We have also fixed a target of providing financial assistance to over 55,000 families during the year. The Harijan Kalyan Nigam and Backward Classes Kalyan Nigam are operating liberal schemes to help raising the economic condition of the members of these classes. A number of schemes for the welfare of destitutes, infirm, physically handicapped and the blind etc., are in hand. A Plan outlay of over Rs. 10 crores is proposed for expansion of social welfare, welfare of Scheduled Castes and Backward Classes and nutrition programmes during the next year.

Service-  
men and  
Ex-ser-  
vicemen

34. Haryana is the first State in the country to provide pension at the rate of Rs. 100 p.m. to those ex-servicemen and the widows of the ex-servicemen who are above the age of 65 years and are not receiving any service pension. Another concession which has been offered to the ex-servicemen re-employed with the State Government is the upward pay fixation in their respective pay scales with effect from 1-4-1979. During the current year, the State Government granted a cash award of Rs. 25,000 to the families of each officer killed during the 'Blue Star Operation.' Rs. 15,000 in the case of J.C.O's. and Rs. 10,000 in the case of other ranks. In addition, many other facilities for the welfare of ex-servicemen are being provided.



35. The State Government is committed to providing an efficient transport system to its citizens. A provision of Rs. 12 crores is proposed in the next year's Plan and an addition of 150 buses is proposed to be made to the fleet of Haryana Roadways. Five Traffic Aid Posts at a distance of approximately 50 Kms. each have been set up on the Delhi-Chandigarh National Highway to monitor traffic movement, enforcement of law and order and for assisting the victims of accidents which take place on the Highway.

**Transport**

36. The Annual Plan for 1985-86 provides for an outlay of Rs. 1.8 crores for the development of tourist facilities. The work on King-fisher Tourist Complex, Ambala is progressing fast and two more complexes at Narwana and Bahadurgarh are likely to be taken up shortly.

**Tourism**

37. The 20-Point Programme is being vigorously implemented by the State Government. An outlay of Rs. 380 crores has been provided for the purpose during 1985-86. Under the various poverty alleviation schemes, over 65,000 families including more than 33,000 scheduled caste families had benefitted from the schemes between April, 1984 and January, 1985. Employment worth 10.32 lakh man-days had been created and drinking water supply to 574 problem-villages provided. Similarly 5060 house sites had been allotted, more than 90,000 persons had benefitted under slum improvement schemes and 51 fair price shops had been opened during this period.

**20-Point  
Pro-  
gramme.**

38. For the development of administrative qualities and better appreciation of the goals of the State, the State Government employees are being provided training facilities at the newly opened Haryana Institute of Public Administration. The modernisation of Police force is also in hand. Government are also laying stress on improve-

**Improve-  
ment in  
Adminis-  
trative  
Machi-  
nery.**

ment in our monitoring system and management information system. An outlay of Rs. 1 crore has been proposed in the next year's Plan Budget for installing electronic and mechanical devices to ensure smooth and prompt transmission of information and its analysis.

**Decentralisation of Planning**

39. Great stress is being laid by Central Government on decentralisation of the planning process. The State Government have also felt that planning should emanate from below to the extent possible. To accelerate the process of planning from below and to strengthen the planning machinery in the field, a provision of over Rs. 15 crores is being made in the next year's Plan budget.

**Fight against natural calamities etc.**

40. The outgoing year confronted the State Government with some major un-anticipated adverse happenings. The severest jolt was the breaches in the Bhakra Main Line Canal in the Punjab territory which caused serious damage to our crops and resulted in wide spread loss. Thanks to the Central Government and the Punjab Government, these breaches were plugged quickly and effectively. Nonetheless, these caused us heavy losses and we had to offer relief to farmers including Rs. 6.6 crores received from the Central Government as advance Central assistance. The second major problem was the effect of the severe cold wave and moisture stress in Mohindergarh, Bhiwani, Rohtak, Jind and Hissar. To mitigate the sufferings of our farmers, the State ordered remission of land holding tax and Abiana and a Central assistance of Rs. 1.55 crore was also offered to the farmers as relief. The third calamity was the damage to the cotton crop due to the boll worm infestation in our cotton belt. Again the State Government remitted the land holding tax and Abiana in this case and the Central assistance of Rs. 2.1 crores has also been offered to the farmers who had suffered loss.

41. In the outgoing year the State Government have granted a number of concessions and facilities to its employees. Nine additional D.A. instalments on the pattern of the Government of India have been sanctioned to the State Government employees.

**Facilities granted to Government employees including Pensioners.**

The limit of marriage advance has been raised from Rs. 3000 to Rs. 5000 in the case of the marriage of a son and to Rs. 10,000 in the case of the marriage of a daughter or a sister. Such an advance for sister's marriage has been made admissible even where the parents of the employee are fortunately alive.

The limit of advance for purchase of cars has been raised from Rs. 40,000 to Rs. 60,000, for two wheelers from Rs. 6,000 to Rs. 8,000 and for cycles from Rs. 300 to Rs. 400.

Conveyance allowance to the blind and orthopaedically handicapped employees has been raised from Rs. 50/- to Rs. 75/- per month.

The State Government have introduced the Group Insurance Scheme on the pattern of the Central Government wherein by offering a monthly subscription of Rs. 10, 20, 40 and 80 the State Government employees of class IV, III, II, and I respectively are insured for a sum of Rs. 10,000/-, 20,000/-, 40,000/- and 80,000/-. I am sure, this scheme will greatly benefit our employees.

The leave-travel concession facility has been provided during the current year on the Central Government pattern. I hope, our employees will fully avail themselves of this facility. This scheme would lead to better emotional integration of our people.

Revised  
Estimates  
& Annual  
Plan for  
1984-85

42. Due to certain adverse factors the finances of the State remained under severe pressure during the current year. The more noteworthy were the liability caused by the additional D.A. instalments, the non-recovery of sales-tax on certain transactions because of an adverse court decision and the revenue loss caused in Haryana because of the disturbed conditions in the neighbouring State. As a result of these adverse factors the current year is expected to close with a deficit of Rs. 91.53 crores against the anticipated deficit of Rs. 46.83 crores. We are, however, hopeful that the major part of this deficit would be converted into a loan to be offered by the Central Government.

Budget  
Estimates  
and  
Annual  
Plan for  
1985-86.

43. Against this background, Mr. Speaker Sir, I proceed to present before this august House the Budget Estimates for 1985-86. The financial position of the State emerging from its budgetary transactions under the Revised Estimates for 1984-85 and the Budget Estimates for 1985-86 is indicated by the following figures :—

(Rupees in crores)

Component	Budget Estimates 1984-85	Revised Estimates 1984-85	Budget Estimates 1985-86
1	2	3	4
(1) Opening Balance			
(a) According to A.G.	(—)45.08	(—) 2.90	(—)63.80
(b) According to R.B.I.	(—)50.53	(—)30.63	(—)91.53
(2) Revenue Account			
Receipts	811.08	796.68	901.27
Expenditure	683.65	748.13	828.77
Surplus	(+)127.43	(+)47.55	(+)72.50
(3) Capital Expenditure (Net)	130.08	128.53	184.15

	1	2	3	4
(4) Public Debt				
Debt incurred		568.09	644.71	700.45
Repayment		505.17	553.11	615.93
Net		(+)62.92	(+)91.60	(+)84.52
(5) Loans and Advances				
Advances		122.36	135.49	147.53
Recoveries		28.15	30.45	22.87
Net		(-)94.21	(-)105.04	(-)124.66
(6) Inter-State Settlement		—	—	—
(7) Contingency Fund (Net)		—	—	—
(8) Unfunded Debt (Net)		(+)26.55	(+)43.73	(+)29.95
(9) Deposits and Advances etc. (Net)		(+) 6.09	(-)15.21	(+)95.05
(10) Remittances (Net)		(+)5.00	(+) 5.00	(+)4.00
(11) Year's Closing Balance				
(a) According to A.G.		(-)41.38	(-)63.80	(-)86.59
(b) According to R.B.I.		(-)46.83	(-)91.53	(-)114.32

One of the positive features of the Budget proposals for 1985-86 is larger receipts on revenue account and consequently a larger revenue surplus. It would be noted that it is likely to go up from Rs. 47.55 crores during the current year to Rs. 72.5 crores next year. The other noteworthy feature is the significant increase in the proposed Plan size for the next year which is likely to be well over Rs. 500 crores. The final round of discussions on the size of the Annual Plan for 1985-86 and the Seventh Plan is to be held sometime next month with the Government of India. These outlays will be finalized during those discussions.

In addition in the outgoing year expenditure on the centrally sponsored schemes and other developmental schemes, not forming part of the State Plan, is likely to be over Rs. 65 crores. During the next year a provision of Rs. 68.26 crores is proposed for the purpose.

Measures  
to meet  
the Bud-  
getary  
Deficit.

44. As would be noted from the Budget Estimates cited by me for 1985-86, the closing deficit for the year is assumed at Rs. 114.32 crores. This gap in resources is proposed to be covered in certain specific manners. In the first place, as I have mentioned earlier, we have made a request to the Central Government for special assistance for the S. Y. L. Project. The Plan allocation for this Project for the next year is Rs. 70 crores. If the Government of India accepts our request, the strain on our resources will be correspondingly reduced.

Consign-  
ment Tax

The other substantial measure which would fill the gap is the levy of consignment tax for which purpose the Constitution already stands amended. The operational law is now to be enacted by Parliament. We hope this would be done shortly as per the assurance extended by the Government of India. If the consignment tax is available for the whole year, we hope to collect approximately Rs. 44.5 crores next year.

Proposals  
for addi-  
tional  
taxation

To neutralize the rise in operational cost of Haryana Roadways caused by many factors including the proposed hike in the prices of diesel and other petroleum products it is proposed to raise the bus-fare w.e.f. 1-4-1985 on metalled road journey by 1.25 paise per km in the case of ordinary buses. A proportionate increase in other bus-fares is also proposed. This measure is likely to yield about Rs. 15 crores in next year. The consequential increase in Passenger Tax receipts will be another Rs. 9 crores. Government have also decided to rationalize the bus-fare so that the minimum fare would be 50 paise. Also for the next 50 paise while 24 paise or less of fare would be omitted, 25 paise or more would be rounded off to 50 paise. This rationalization is, however, not likely to substantially affect the total traffic-receipts eitherway.

Goods Tax on public carriers is presently being charged at the rate of Rs. 2000/- per annum. Government propose to raise it to Rs. 2400-per annum with effect from 1-4-1985. This measure is likely to yield an additional revenue of Rs. 2 crores.

Government have also decided to raise the duties and fees on alcohol and liquor shops. The excise duty on Indian Made Foreign Spirit has been raised from Rs. 32/- to Rs. 36/- per proof litre, export fee on liquor and rectified spirit has been raised from Re. 1/- to Rs. 3/- per proof litre, export fee on denatured spirit from Re. 1/- to Rs. 3/- per bulk litre and permit fee on denatured spirit has been raised from Re. 1/- to Rs. 2/- per bulk litre. In addition, an export fee of 50 paise per bottle has been imposed on beer. These measures are part of the new Excise Policy for 1985-86 and are likely to yield an additional revenue of Rs. 10 crores during the next year.

The Union Excise Duty on generation of electricity has been abolished with effect from 1-10-1984. It is proposed to increase the electricity duty on domestic, commercial and industrial consumers by 2, 3 and 4 paise per unit respectively w.e.f. 1-4-1985 to make up for the abolition of the excise duty. There should however, be no increase on this account in the dues charged from the consumers because the incidence of the Union Excise Duty had already been taken into account while fixing the tariff rates. The enhancement in electricity duty on the above basis should yield to the State Government a revenue of approximately Rs. 6 crores.

The above measures should give us an additional revenue of approximately Rs. 86.5 crores next year. These measures coupled with the likely special Central assistance for the S.Y.L. Project, our increased share in Central assistance for the State Plan and a larger share of market borrowings should help neutralizing the anticipated closing deficit of Rs. 114.32 crores for the next year.

45. It would only be appropriate for me to now mention the additional facilities and concessions which we propose to allow to Government employees and the others.

**Additional  
facilities  
to Govern-  
ment emp-  
loyees and  
the others**

Government have decided that w.e.f. 1.4.1985 it would contribute the share of class IV employees of Rs. 10 p.m. towards the Group Insurance Scheme. This would entail a liability approximately of Rs. 50 lakhs per annum.

It has also been decided that in the case of death of any class III and class IV employee while in service the outstanding principal amount of House Building Advance, marriage advance, wheat advance, festival advance and cycle advance will be waived. Government have also decided that the recovery of outstanding interest on all the advances taken by such class III & IV employees will also be waived. In the case of House Building Advance, however, the outstanding amount of the advance will be waived only in those cases where not more than one surviving member of the family is employed.

Government have decided that the limit of City Compensatory Allowance at Chandigarh will be raised from 8% to 10% within the existing ceiling of Rs. 100/- w.e.f. 1.4.85. This relief would cost approximately Rs. 18 lakhs to the State annually.

Apart from Chandigarh, City Compensatory Allowance is presently admissible in those towns of the State, which have a population of more than one lakh and an area of 30 sq. Kms or more. In the five towns of Gurgaon, Bhiwani, Panipat, Sonapat and Karnal, while the population is over a lakh as per the 1981 census, the area of these towns fall short of 30 Sq. Kms. Recognising the hardships caused to the Government employees posted in these towns and to provide relief to them, Government have decided that City Compensatory Allowance will be admissible to Government employees working in these five towns also at the rate of 5% with a ceiling of Rs. 50/- as in the case of other towns w.e.f. 1.4.1985. This measure will cost the State approximately Rs. 75 lakhs annually,



Presently special pay is admissible to the drivers working in the Civil Secretariat. Acknowledging the hardships faced by the drivers in the other offices, Government have decided to grant special pay to other drivers also w.e.f. 1.4.1985. It has been decided that a special pay of Rs. 100/- per month will be admissible to the drivers in the office of the Heads of Departments and of Rs. 50/- in the case of drivers in the other field offices. The overtime allowance admissible to them is being withdrawn.

While introducing the revised pay scales with effect from 1.4.1979, Government had decided to impose a ceiling in the matter of drawal of special pay and non-practising allowance by certain categories. In the case of State Civil Services Officers this ceiling has already been removed. Government have now decided to remove this ceiling in the case of doctors also with effect from 1.4.1985.

46. (i) Government have decided to raise the limit of turnover in the case of manufacturing dealers from Rs. 25,000 to Rs. 1 lakh per annum for the purposes of sales tax assessment. A Bill incorporating this amendment is proposed to be introduced in the Vidhan Sabha during the current Session;

**Concessions  
to Trade,  
Industry  
and Agri-  
culture etc.**

(ii) Government have decided to restore exemption from sales-tax to Dhabawalas and Tandoorwalas etc. This exemption will also form part of the Bill proposed for consideration of Vidhan Sabha during the current Session ;

(iii) Realising the difficulties of the stationery suppliers and in the interest of the students etc., Government have decided to exempt lead pencils from the payment of sales-tax with effect from 1.4.1985 ;

(iv) There has been a persistent demand for reduction of sales-tax on glass bangles which are widely used by Indian women. Government have decided to reduce the rate of sales-tax on glass bangles from 12% to 4% with effect from 1.4.1985;

(v) Under the 20-Point Programme a special emphasis has been laid on encouragement to bio-gas equipment. Acknowledging the need for conservation of energy and harnessing alternate sources of energy, Government have decided to exempt from sales-tax all bio-gas equipment, except burners with effect from 1.4.1985 ; and

(vi) There has been a persistent demand from the agriculturist community for reducing the cost of agricultural inputs. Government have decided to exempt from sales tax monoblock pumping sets upto 7.5 h.p. capacity used for agricultural purposes with effect from 1.4.1985.

The total loss in revenue through these concessions will be approximately Rs. 50 lakhs per annum. Looking to the widespread relief which will accrue, these concessions seem to be fully justified. However, the loss in revenue will be made good through better collection of taxes.

In order to provide relief to the trading community and to meet their long-standing demand, it has been decided by the Haryana Government to reduce the number of licences for the traders dealing in various essential commodities to the bare minimum. Instructions have been given to the Food and Supplies Department to quickly implement this decision.

The stock limits for storage of wheat by foodgrain licencees under the Haryana Foodgrain Dealers Licensing and Price Control Order, 1978 has been increased from 150 quintals to 300 quintals in case of chakkies and 250 quintals to 500 quintals in case of foodgrain dealers.

This brings me to the end of my Budget Speech, which I am afraid, might have been quite taxing to my distinguished colleagues. I thank you all and you, Mr. Speaker, Sir, for having patiently borne with me during the last one hour or so.

Before concluding, I would wish to express my thanks to the officers and staff of the Finance Department for rendering valuable assistance in preparing these estimates. I am also thankful to the Accountant General, Haryana, for his assistance in the matter and the Union Territory Administration and the Haryana Printing Press for getting the documents printed in time.

With these words, Sir, I now present the Budget Estimates for the year 1985-86 and commend them for the consideration and approval of this august House.

JAI HIND

114.32  
~~42.00~~  
72.32

58.54

16.54